

Efficiency Statement

NHS Grampian has achieved its three key financial targets for the year 2010/11

- ✓ Operated successfully within Revenue Resource Limit
- ✓ Operated successfully within Capital Resource Limit
- ✓ Met Cash Requirement

Successful achievement of these targets was made possible through the delivery of efficiency savings totaling £34 million during the course of 2010/11.

These savings were delivered through a range of efficiency initiatives aimed at eliminating waste, increasing productivity and delivering best value from service redesign while maintaining and enhancing the quality of front line clinical service delivery.

Cost reduction plans are currently being implemented to deliver a further £20.7 million of efficiency savings in 2011/12.

NHS Grampian as a responsible steward of public resources consistently strives to deliver increased value through improvements in the economy, efficiency and effectiveness of its functions. In support of this, the Board has agreed an approach to Continuous Service Improvement (CSI), based on lean methodology, which is now firmly embedded within the culture of NHS Grampian. During the year various cross system CSI projects have successfully delivered change and were significant contributors to the delivery of financial balance in 2010/11; for example the Procurement Best Value project has achieved savings of £4.8m to date. In future years CSI is expected to be the key vehicle that will enable financial and service sustainability. In 2011/12 the continuing work in procurement is expected to deliver a further £1.8m of recurring savings. The other agreed priorities for CSI for 2011/12 will focus on Unscheduled Care , Length of Stay (reduction in in-patient beds) and Releasing Time to Care in the Community, otherwise known as “Productive Community” (increasing capacity within community teams through efficient workload planning and management)

Close working between the three Community Health Partnerships (CHPs) and the Acute Sector continues to integrate services on a cross system basis. This has contributed to the Board’s ability to reduce dependence on inpatient beds through improved efficiency and the creation of capacity in the community and primary care. Partnerships with the local authorities also continue to strengthen in recognition of the need to more closely integrate the services of all agencies around the needs of people requiring care in their own homes and communities. The introduction of the Change Fund by the Scottish Government in 2011 has stimulated the development of local authority area specific plans to improve community care for older people and prevent inappropriate admission to hospital. This will be the main focus for partnership working for the foreseeable future creating a structure for the shift in activity relating to older people away from acute services to community care and the voluntary sector in the years to come.